United Nations E/2007/15

Economic and Social Council

Distr.: General
14 May 2007

Original: English

Substantive session of 2007
Geneva, 2-27 July 2007
Item 10 of the provisional agenda*
Regional cooperation

Regional cooperation in the economic, social and related fields

Report of the Secretary-General

Summary

The present report is submitted to the Council in accordance with General Assembly resolution 1823 (XVII) and Economic and Social Council resolution 1817 (LV). The present report provides an update to the Council on the perspectives and developments in regional cooperation and the work of the regional commissions in relevant areas since its substantive session of 2006, pursuant to the guidance contained in annex III to Council resolution 1998/46. Taking the 2005 World Summit Outcome as a main reference point and in view of 2007 being the midpoint between the adoption of the Millennium Declaration and 2015, the target date for the achievement of the Millennium Development Goals, the report focuses particular attention to an analytical presentation of the status of implementation of the Goals and the lessons that can be drawn from a regional perspective for intensifying the efforts during the coming years. In that regard, section I of the present report is devoted to the theme for the agenda item on regional cooperation, "Regional dimension of strengthening efforts to eradicate poverty and hunger, including through the global partnership for development".** The analysis in that section is complemented by a presentation of the major policy issues relevant for each of the commissions and the report of the executive secretaries in sections II and III. In line with Council decision 2004/323, providing for the dialogue between the executive secretaries of the regional commissions Council, the present report and the analysis it

* E/2007/100.

** Theme for the thematic discussion: "Strengthening efforts at all levels to promote pro-poor sustained economic growth, including through equitable macroeconomic policies"; and theme for the annual ministerial review: "Strengthening efforts to eradicate poverty and hunger, including through the global partnership for development".

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provides should facilitate that dialogue as a continuation of discussions in the high-level segment of the substantive session of the Council.

The resolutions and decisions adopted by the regional commissions during the period under review that require action by the Council or are brought to its attention will be contained in an addendum to the present report.

The summaries of the economic surveys and trends in the four regions are provided to the Council for its consideration (the Economic Commission for Europe has decided not to continue publication of its economic survey). The annual reports of the regional commissions, issued as supplements to the official records of the Economic and Social Council, are available as background information, as they address matters relevant to the issues covered in the present report and its addendum.

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I. "Regional dimension of strengthening efforts to eradicate poverty and hunger, including through the global partnership for development"

A. Pro-poor growth and pro-Millennium Development Goals growth

1. Achieving the Millennium Development Goals, including the first Goal, poverty reduction, is increasingly being recognized and accepted as a centrepiece of development objectives in most developing regions. Such a strategy has many advantages. The Goals address development issues in a comprehensive manner by considering the broad dimensions of poverty, not income poverty alone. In this manner, a strategy based on the Goals is able to exploit the synergy between various Goals and help achieve development sustainability. The role of sustained economic growth is crucial to the implementation of the Millennium Development Goal strategies. Likewise, pro-Millennium Development Goal policies that lead to improvement in health, education and gender equity and other targets will in turn bolster human capital and future economic growth.

2. Hence, in addition to the traditional productive "pro-poor" sectors, such as agriculture and construction, certain key sectors of the economy assume special importance with regards to achieving the Millennium Development Goals. Those key sectors include three physical infrastructure sectors (transport, energy and water) and two social infrastructure sectors (health and education). To enable the achievement of the Goals and sustained pro-poor growth, economic growth should entail not only employment and income generation for the poor, but also improvement in both physical and social infrastructures. Such improvement would promote the availability and consumption of "Millennium Development Goal goods and services" such as food, clean water and sanitation, health and education.

3. Within that framework, the regional assessments and analysis carried out by the regional commissions, in partnership and collaboration with other United Nations system entities and regional organizations, on the implementation of the Millennium Development Goals reveal a mixed picture, albeit mostly of significant shortfalls. In general, they also continue to offer instances of sharp contrasts in achievement, as global and regional trends obscure vast differences across and within region, subregions and, at times, even within countries. This is particularly true for Goal 1, eradicating extreme poverty and hunger.

B. Reducing poverty and hunger: a picture of mixed performance

4. Despite Africa's tangible achievements on the economic growth front over the past several years (African economies recorded an overall real gross domestic product (GDP) growth rate of 5.7 per cent in 2006 compared to 5.3 per cent in 2005 and 5.2 per cent in 2004), there is consensus that this positive economic performance has not yet had a demonstrably meaningful impact on poverty and the achievement of the Millennium Development Goals. Rather, the proportion of the population living under the poverty line since 2000 is estimated to have increased from 45 to 47 per cent in 2006, owing partly to population growth, and high levels of poverty coexist with equally high levels of income inequality within countries.

5. Moreover, for most African countries, real growth rates have remained low relative to their development goals. With only four countries recording an average real GDP growth rate of 7 per cent or more during the period from 1998 to 2006, few African countries are positioned to achieve the Millennium Development Goals by 2015. In addition, substantial disparities in terms of growth performance persisted in 2006 across the five subregions of the continent. While North Africa, for example, recorded the highest acceleration in GDP growth, there was a deceleration in growth in West Africa and Southern Africa. In general, however, owing to a lack of data on the proportion of people living in extreme poverty, closer monitoring and tracking progress of the income target of the first Goal remains a major challenge in Africa. The Economic Commission for Africa (ECA) is trying to address this gap partly through its newly established African Centre for Statistics.

6. Nevertheless, data on nutrition is more complete and shows that about 62 per cent of the 46 African countries for which data is available experienced an improvement in hunger conditions during the period from 1991 to 2002. By 2002, Djibouti, Gabon and Ghana had achieved the Millennium Development Goal of halving the number of undernourished people. Hunger did worsen in countries emerging from conflict such as Burundi, the Democratic Republic of the Congo, Guinea-Bissau and Liberia. However, other post-conflict countries, such as oil-rich Angola and aid-endowed Mozambique, have been quite successful in reducing the incidence of hunger. This suggests that with appropriate policies and adequate resources, even post-conflict countries can make good progress towards reducing the incidence of hunger.

7. Recent studies and reports conducted by the Economic and Social Commission for Asia and the Pacific (ESCAP) in partnership with the Asian Development Bank and the United Nations Development Programme (UNDP) indicate that, on the poverty target, the Asian and Pacific region has made dramatic progress. Between 1990 and 2001, in the 23 countries having sufficient data (out of a total of 55), the proportion of people living on less than $1 per day fell from 31 to 20 per cent. Despite population growth, the absolute number of poor people also fell, from 931 to 679 million. On either basis, Asia and the Pacific's overall poverty reduction will inevitably be swayed by the achievements of China and India, and both are well on track, as are 17 other countries. The countries having the most difficulty appear to be Armenia, Bangladesh, the Lao People's Democratic Republic and Mongolia.

8. As for halving the proportion of people who suffer from hunger by 2015, which is the second target under Millennium Development Goal 1, available data indicates that for 27 countries, the proportion of people consuming less than the minimum dietary energy requirement fell between the early 1990s and 2001, but only slightly, from 18.7 to 15.1 per cent. The worst situation reported is in Tajikistan, with 61 per cent of the population hungry, followed by the Democratic People's Republic of Korea, with 36 per cent. Another important indicator is child malnutrition, which is disturbingly high in a number of countries: 48 per cent of children are undernourished in Afghanistan, Bangladesh and Nepal, for example, and 47 per cent in India.

9. In general, South and South-West Asia is the poorest performing subregion in Asia and the Pacific. The majority of the countries of this subregion (6 out of 10) are off track for more than one third of the Millennium Development Goals' indicators. The slow progress there is largely because this region includes five least

developed countries, three of which are also landlocked and one of which is a small island developing State. This situation reinforces the need for special attention to the needs of the least developed, landlocked and small island developing countries. In addition to subregional variations in performances, there are wide disparities both across and within countries in reducing poverty and hunger. In the Philippines, for example, where the national poverty rate is 16 per cent, the regional rates vary from 8 to 63 per cent. Similarly, in Indonesia, while the national child malnutrition rate is 26 per cent, the regional rates vary from 18 to 40 per cent. In India, poverty rates, for example, ranged from less than 10 per cent in the richest states to well above 40 per cent in the two poorest states, Orissa and Bihar. Country averages may therefore disguise the likelihood that some of the areas within a country can be significantly off track while the country as a whole remains on track. Attempting to assess the achievement of the Millennium Development Goal targets in terms of national averages may therefore hide the reality and leave vast numbers of the poor and needy behind.

10. The monitoring of progress towards achievement of Millennium Development Goals carried out by the Economic Commission for Latin America and the Caribbean (ECLAC) gives reasons for cautious optimism. Based on the progress expected in 2006 and economic growth recorded between 1991 and 2006, it may be said that the ECLAC region as a whole is on track towards meeting the target. The reduction in extreme poverty projected for 2006 corresponds to a 69 per cent improvement, which is slightly greater than the corresponding elapsed portion of the target period. Brazil and Chile have already met the poverty reduction target. Eight other Latin American countries (Costa Rica, Ecuador, El Salvador, Mexico, Panama, Peru, Colombia and Uruguay) should also be able to achieve the target simply by maintaining per capita income growth at a similar or slightly higher rate than their average for the last 16 years. However, with respect to the small and vulnerable economies of the Caribbean, frequent natural disasters or exogenous economic shocks are having a disproportionate impact on the poor and those with incomes that are barely above the poverty line. Overall, this may end up jeopardizing the chances of this group of countries of meeting the target.

11. According to ECLAC, the countries that have made less progress than expected or those with the region's highest poverty rates (such as Bolivia, Guatemala, Honduras, Nicaragua and Paraguay) will need to keep their future growth rates above the average for the period from 1990 to 2002 and improve income distribution in order to raise the living standards of the poor and increase their chances of halving poverty by 2015. While considerable efforts will be needed in this regard, the region's recent positive performance on both aspects provides grounds for greater optimism as regards the possibility of reaching the first target of the Millennium Development Goals.

12. Significant progress towards the target to eradicate hunger has been achieved overall in the ECLAC region. However, the picture is very mixed with a wide variety of situations coexisting both among and within countries. The progress shown by Cuba, Peru, Guyana, Uruguay and Chile surpasses the target for 2015. Eight other countries (four Caribbean and four Latin American) show progress above the midterm target and are likely to sustain such progress throughout the coming decade. The poorest countries, however, will need to make further headway to meet the target by 2015. On the other hand, estimates based on nutrition studies conducted in the last two decades suggest that most countries have made significant

strides towards the target of halving the prevalence of underweight children. From the early 1990s, they show a weighted average progress of 54 per cent towards the target.

13. The Economic and Social Commission for Western Asia (ESCWA) partnered with several United Nations agencies to produce a regional assessment on the implementation of the Millennium Development Goals in the Arab world. According to data available for 10 Arab countries, which account for some 64 per cent of the Arab population (namely, Algeria, the Comoros, Djibouti, Egypt, Jordan, Mauritania, Morocco, the Syrian Arab Republic, Tunisia and Yemen), 16.8 per cent of the Arab population was living in poverty in 2000, compared to 16.4 per cent a decade earlier (based on national poverty lines). In 2000, poverty levels were estimated to be 15.7 per cent in the Mashreq, 9.1 per cent in the Maghreb, and 47.1 per cent in the Arab least developed countries (namely, the Comoros, Djibouti, Mauritania, Somalia, the Sudan and Yemen). While between 1990 and 2000 slight fluctuations were observed in the Mashreq and Maghreb, poverty levels nearly doubled in the Arab least developed countries, making it unlikely for the region as a whole to succeed in achieving the poverty reduction goal. In general, however, due to lack of data on the proportion of people living in extreme poverty, particularly for Gulf Cooperation Council countries, tracking progress of the income target of Goal 1 remains a major challenge in the ESCWA region.

14. During the period from 2000 to 2002, it was estimated that 9.5 per cent of the population of the Arab region was food-deprived, compared to 10 per cent in the period from 1990 to 1992. That percentage may also be attributed to the high level of food deprivation in the Arab least developed countries, where the average was 28.9 per cent, albeit down from 31.2 per cent in the period from 1990 to 1992. Between 1990 and 2002, a decrease from 4.5 to 3.7 per cent in the corresponding rate was observed in the Mashreq, while in the Maghreb there was an increase from 4.6 to 5 per cent. In the Gulf Cooperation Council countries, food deprivation dropped from 6.1 to 3.6 per cent during the same period. It is unlikely that the Arab region as a whole will achieve the target of halving the proportion of people who suffer from hunger by 2015, particularly in the Arab least developed countries. In fact, in this latter group of countries, 39.2 per cent of children aged less than five years were underweight in 2003, compared to 38.4 per cent in 1990. Both the Mashreq and Maghreb subregions achieved progress in this area.

15. Political instability and conflict continue to pose a critical challenge to poverty and hunger eradication in the region. Political crises lead to loss of income, damage or destruction to property and a large number of impoverished internally displaced persons and refugees, and create an environment not conducive to business and investment, particularly for entrepreneurs and small-scale enterprises, which in turn creates a vicious cycle of increased unemployment and poverty. More than 11 per cent of the population of Iraq was below the $1/day poverty line in 2003 and a staggering 60 per cent of Palestinians were below this level in 2002, making it unlikely for Iraq and Palestine, as well as the Arab least developed countries, to achieve most of the Millennium Development Goals.

16. In the Economic Commission for Europe (ECE) region, the Millennium Development Goals are particularly relevant to the countries of Eastern Europe, the Caucasus and Central Asia and south-east Europe. Many countries of this region adapted the Goals in quantitative terms corresponding to their national needs. For

example, the first Millennium Development Goal was reformulated in Bosnia and Herzegovina as reducing general poverty to the European Union level average in 2015 and, in the former Yugoslav Republic of Macedonia, as reducing poverty and social exclusion. In Armenia, an additional Goal was introduced on ensuring food security. The $1/day standard is not particularly relevant for this region, given higher food and heating costs.

17. The extent of poverty and hunger vary by subregion in the emerging markets of the ECE region. Extreme or subsistence poverty is highest in the Caucasus and Central Asia, where it is fairly widespread. As an illustration, about 10 to 20 per cent of young children are either underweight or under-height for their age. In Eastern Europe, and in south-east Europe, absolute poverty is limited to certain geographical areas or segments of the population and accounts for a fifth to a third of the population. In the 10 European Union new member States of the European Union, poverty is primarily restricted to limited rural geographical areas or small segments of the population that have slipped through social safety nets, especially the unemployed, the aged and the truly unskilled. Still, it affects about 10 to 20 per cent of the population. In all these subregions, poverty, especially for women, increased dramatically with the break up of planned economies and the transitional recession that followed, but has begun to fall with the recent rapid economic growth. However, growth alone without significant policy changes will be insufficient for achieving the Millennium Development Goals.

C. Global partnership for development: regional perspectives and responses

18. Achieving the Millennium Development Goals, including poverty and hunger eradication, will require addressing an array of challenges according to the specificities of each region. However, all regional assessments point to the fact that, in the longer term, the likelihood that countries of different regions will meet Goal 1 will depend on their ability to strengthen the pro-poor content of economic growth and adopt economic and social policies and targeted programmes that facilitate the implementation of the Goals in a comprehensive manner.

19. Several policy initiatives have been undertaken at the regional level to advocate and support such policies. For example, the ministerial meeting on the theme "Millennium Development Goals in Asia Pacific: the way forward" held in Jakarta in 2005, identified a set of actions at the regional level to strengthen achievement of the Goals through a pro-poor growth process. The African Union held a number of summits that adopted action plans, including one on employment and poverty alleviation, held in Burkina Faso in September 2004, and on food security in Africa, held in December 2006. ESCAP and ECA are both actively engaged in supporting the implementation of the recommended actions in their respective regions.

20. The eighth Millennium Development Goal, on global partnership for development, acknowledges the structural linkages between development cooperation and the achievement of the other seven Goals. Trade and financing for development play a key role in building this Partnership. Much has been said about the importance of success in the Doha round of trade negotiations as a development round. There is also little doubt that conclusion of the Doha round is crucial for

meeting the trade targets of the eighth Goal. This cannot be overemphasized, as developed countries production and export subsidies, tariffs and non-tariff barriers continue to restrict market access for products of developing countries. In the particular case of Africa, and mostly of least developed countries, where there has been market access, supply-side constraints have prevented countries from taking advantage of it. The serious lack of physical infrastructure in those countries, particularly in the landlocked developing countries, also remains a tremendous obstacle. The huge investment needed for this require strengthened partnership and significant upscaling of development cooperation.

21. Official development assistance levels to Africa have increased since 2001. They recovered from a low of $15.3 billion in 2000 to $26.3 billion in 2003. However, this recovery in official development assistance flows was largely driven by debt relief, provided through the Highly Indebted Poor Countries Debt Initiative (HIPC), and emergency assistance. However, debt relief schemes have left out middle-income countries, some of which also labour under heavy debt burden. Further, although Africa's debt stocks declined considerably relative to GDP, total debt service obligations remained unchanged in 2006 due to rising interest rates.

22. Even in Latin America and the Caribbean, which include significant number of middle income countries, official development assistance continues to play a key role in mitigating problems like the volatility of private capital flows, the over-indebtedness of some countries and natural disasters. For example, countries such as Peru, Bolivia and Paraguay, among others, have stated in their first national Millennium Development Goal reports that without the ongoing support of official development assistance, they will not be in a position to make the investments needed to meet the Goals. However, official development assistance flows to the region have dwindled and currently represent a very low percentage of the worldwide total (5.8 per cent in 2005). In fact, even if the region's entire share were set aside for the population living in poverty, this group would receive in per capita terms less than the population of other world regions (around $22.5, compared to $27 per capita in Africa, $55 in the European countries with economies in transition and $183 in Oceania, according to 2002 figures for net official development assistance).

23. In addition, official development assistance in some regions was not necessarily targeted at the poorest countries, owing in part to new donor priorities influenced by geopolitical considerations. For example, while the average aid per capita for Arab countries rose from $19.4 to $27.8 over the period from 1999 to 2003, the average for the least developed countries of the region was only $20.8 in 2003. Yemen, in particular, experienced a sharp decline, from $26.9 in 1999 to a mere $12.7 in 2003. An important part of the bilateral and multilateral aid flows are being diverted within the region towards Iraq to support reconstruction efforts. In addition, aid flows to the region continue to fluctuate, undermining medium-term fiscal planning and jeopardizing public investment.

24. So far, however, traditional mechanisms for financing poverty and hunger reduction in the various regions, including official development assistance and HIPC, have shown their limitations in helping developing countries to meet the Millennium Development Goals. Some initiatives, with strong regional and intra-regional focus, sought to provide alternative sources of development finance to bridge the gap. For example, several Latin American and Caribbean countries have

been involved in the development of innovative mechanisms, including Brazil and Chile, who, along with France, were the pioneers in the creation of the "Action against hunger and poverty" initiative, launched in 2004.

25. Developing countries play an active role in helping to build a more equal, less asymmetrical world. In the Arab region, the Gulf Cooperation Council countries provided a total of $13.7 billion in development aid during the period from 2000 to 2003. In fact, aid from Saudi Arabia, the largest donor, reached 1.3 per cent of its GDP in 2003, far exceeding the target of 0.7 per cent of GDP to which most developed countries had committed to and have yet to realize. Brazil supported the HIPC Initiative by granting debt relief to such countries, which in mid-2004 owed Brazil a total of $993 million, and granted other debt relief, mainly in Latin America, in the amount of $150 million. The Russian Federation, for its part, also cancelled the debt of HIPC Initiative participants.

26. In 2004, the third round of trade negotiations was launched under the Global System of Trade Preferences among Developing Countries. South-South merchandise trade has expanded considerably in the past 20 years, growing on average at a rate of 12.5 per cent a year, compared with 7 per cent for North-North trade and 9.8 per cent for North-South trade. However, there is much room for this trade to develop, as it still accounts only for 6 per cent of world trade. In addition to other barriers, tariff barriers affecting South-South trade are still much higher than those affecting other trade, at an average of 11.1 per cent compared with 4.3 per cent for North-North trade. Also, currently South-South merchandise trade shows a significant geographical concentration in Asian countries. Similarly, trade in services among the developing countries is highly concentrated in Asia, followed by Latin America. However, with most gains from South-South trade in Latin America and Sub-Saharan Africa attributed to trade with developing countries in Asia, the interest and the potential for gains and the desire to spread and deepen the benefits of that trade point to the importance of multilateral negotiations as a vehicle for realizing the gains from South-South trade.

D. The regional commissions: forging partnerships in support of the Millennium Development Goals

27. The regional commissions, from their part, have been harnessing their convening power and analytical and technical expertise to support the countries of their respective regions in their efforts to eradicate poverty and hunger and attain the Millennium Development Goals. In doing so, they have been forging partnerships with intergovernmental organizations and regional financial institutions in their respective regions, other United Nations agencies, civil society and private sector. Through their analysis and coordination of the regional assessments on the progress towards the achievement of the Goals, they have been identifying gaps in implementation and providing a consensual basis for action among various partners to address those gaps and target the neediest. For example, ECE, in partnership with UNDP and the United Nations Children's Fund (UNICEF), launched a Millennium Development Goal database that is expected to be used for monitoring progress in achieving the Goals in countries with economies in transition.

28. ECA, for its part, is playing a critical role in the African Union/ECA/African Development Bank joint initiative on land policy, which seeks to develop and build

consensus on a continental framework and guidelines for land policy in Africa. It also provided substantive technical support in preparing and servicing the African Union/New Partnership for Africa's Development summits on fertilizer and food security in Africa. In partnership with the African Union and the African Development Bank, ECA has developed an initial three-year business plan for the period from 2007 to 2009 articulating a programme of action that seeks to support the development priorities of the African Union and its New Partnership for Africa's Development programme, and the scaling-up of efforts needed to achieve the Millennium Development Goals in Africa. The 2007 "Big Table", organized jointly in February 2007 by ECA and the African Development Bank, brought together ministers and senior officials from 11 African countries and high-level representatives from the African Union, the Organization for Economic Cooperation and Development (OECD), the International Monetary Fund and World Bank. Participants addressed the challenges of effectively managing Africa's natural resources for growth and poverty reduction and agreed that a concerted approach in this regard needed to be implemented under the African Peer Review Mechanism of the New Partnership for Africa's Development.

29. ESCAP, in responding to requests contained in the 2005 Jakarta Declaration and in accordance with its resolution 62/1 on achieving the Millennium Development Goals in the Asia and Pacific region, has further strengthened its partnership with UNDP and the Asian Development Bank to develop a regional road map to achieve the Millennium Development Goals. The main objective of the proposed regional Millennium Development Goal road map is to assist "off track" countries and those below the "Asian average" to be "on track" and reach the targets by 2015, or before, where feasible, by adding value to the national level strategies and processes. In meeting that objective, the three partners and other multilateral organizations and agencies are expected to deliver a range of products and services from the regional level, in terms of knowledge and capacity development, expertise, resources, advocacy for the Goals, and regional cooperation in delivering regional public goods. ESCAP has also established a Business Advisory Council and launched an Asia-Pacific Business Forum with the aim of promoting government-business dialogue.

30. ECLAC has forged important partnerships with regards to the Millennium Development Goals. It acts as a catalyst for the analytical and normative work in support of the operational activities of the United Nations system at the regional level. Under an agreement reached at the regional inter-agency coordination meeting convened by ECLAC on 17 and 18 November 2006, it will continue to coordinate the preparation of annual regional inter-agency reports on the Goals, examining best practices at the regional and subregional levels (the 2007 report will focus on health-related Goals). In addition, as a result of its interaction with ECLAC and other United Nations entities, the Organization of American States has declared that the Goals constitute its own development agenda.

31. In addition to partnering with the United Nations agencies to produce common Millennium Development Goals' regional assessments for the Arab region, ESCWA is expected to formalize its strategic partnership with the League of Arab States. The latter also agreed to join in the preparation of the regional report on the Goals, starting in 2007. Partnerships have also been forged by ESCWA with non-governmental organizations and civil society institutions for poverty reduction. A notable example is the revolving microcredit project, which targets micro and

small enterprises, agreed upon recently with the Arab Authority for Agricultural Investment and Development and a non-governmental organization in the region.

32. Finally, partnerships among the regional commissions continue to foster and optimize the use of their resources and expertise in support of the implementation of the Millennium Development Goals. The Special Programme for the Economies of Central Asia of ECE and ESCAP is a notable example in this regard. In February 2007, ESCWA and ECA initiated contact to reach agreement on cooperation with regard to the provision of support to and assistance for Arab North African countries, particularly with regard to integrated social policies and the eighth Goal, on market access and trade issues. Such partnerships are intended to delineate the process of cooperation, to enhance efficiency and effectiveness and to ensure synergy in thematic and operational work by the regional commissions.

II. Developments in selected areas of policy interest

A. Major policy issues

33. The regions share both commonalities and diversities within their respective regions as well as in between the regions. This unique characteristic also creates opportunities for promotion of both intraregional and interregional cooperation, which is at the core of the mandates for the regional commissions. The tasks of the regional commissions in this regard are facilitated by their dual role as part of the United Nations system as also that of their respective regional institutional landscape.

Economic Commission for Europe

34. The ECE reform adopted in December 2005 led to better responsiveness to the evolving priorities and needs of the ECE member States, improved transparency and stronger results-based management through a substantive refocusing of its programme of work, a streamlined governance structure and a strengthened monitoring and evaluation system. The implementation of the reform was assessed positively by the Commission on the occasion of its sixtieth anniversary session, held in Geneva from 25 to 27 April 2007. The Commission's session, biennial as of now, was the first opportunity to implement the functions assigned to it by the reform, as the highest decision-making body of the organization, to provide a forum for policy dialogue at a high level on economic development in the region and to take strategic decisions on the work of ECE.

35. Accordingly, in order to contribute to the political dialogue and to reinforce the important relationship between security, economic integration and prosperity, the session brought together a number of foreign and economy ministers to discuss challenges to pan-European integration and stability. This was done within the framework of a series of high-level panels, including a panel on the regional dimension of the United Nations development work, with the participation of the Executive Secretaries of the regional commissions, and five interactive ministerial panels. Two of these panels addressed strategic issues related to regional integration, one dealing with the linkages between prosperity and stability through transatlantic and pan-European cooperation, and the other with the economic challenges faced by the region in furthering pan-European integration and improving global

competitiveness. In addition, three high-level panels focused respectively on sustainable energy, pan-European transport development and the economics of gender.

36. One important challenge for the region is to address several stalemated conflicts in the Balkans, the Caucasus and, to a lesser degree, in Central Asia, which have prevented countries in these subregions from developing their institutions and from harnessing the full potentials for investment, building physical infrastructure and addressing their high unemployment, especially among young people.

37. Another policy area for regional cooperation is the strengthening of trade and financial integration in south-east Europe and the Eastern Europe, Caucasus and Central Asia subregions. For this purpose, ECE is working with various subregional economic groups, including the United Nations Special Programme for the Economies of Central Asia, Eurasian Economic Community and Central European Free Trade Agreement, in helping them design regional economic programmes. In order to promote economic development in the countries with economies in transition, ECE has established a new subprogramme, which focuses on increasing the competitiveness and innovativeness of the area. An important component of this programme is focused on activities designed to create an enabling environment for efficient financial intermediation in support of innovative development.

38. Energy security is viewed as a pressing issue by ECE member States, the private sector, international organizations and the public alike. The main challenges in this area are increasing the dialogue among producing and consuming countries for energy security; developing alternative sources; using energy more efficiently; and supporting new technologies to supply energy and mitigate climate change. The development of efficient, secure and environmentally sound transport networks in Europe is also considered a priority by member States. Such development calls for strong political and financial commitment and the coordination of national programmes into regional networks and plans.

39. Mainstreaming gender into economic policies is essential for both sustained growth and the creation of a cohesive society. ECE provides a regional platform for exchanging good practices in such areas as women's employability and entrepreneurship, gender budgets, social protection and pensions and ensuring equality in economic opportunities. ECE has also developed a gender website in collaboration with UNDP that focuses on the production, dissemination and use of gender-related data.

40. Promoting environmental protection and sustainable development in the region is a high priority for ECE member States, as characterized by the recurrent ministerial conference on Environment for Europe. The sixth such conference will be held in Belgrade from 10 to 12 October 2007. The Environment for Europe process is a unique partnership of the member States within the ECE region, together with entities of the United Nations system represented in the region, other intergovernmental organizations, regional environment centres, non-governmental organizations and other major groups. ECE, which has been closely associated with the Environment for Europe process since the beginning, serves as secretariat to the process.

41. The above challenges cannot be addressed alone. The ECE reform encouraged strengthened partnerships with other organizations and, in this spirit, ECE is seeking

to further its collaboration with the European Union, OECD, Organization for Security and Cooperation in Europe, Special Programme for the Economies of Central Asia, Eurasian Economic Community, the Council of Europe and the international financial institutions. In the same spirit, the recently adopted declaration for the sixtieth anniversary of ECE supported the Commission's contribution of its expertise and networks to relevant activities undertaken within the framework of the Eurasian Economic Community and the Neighbourhood Policy of the European Union. OSCE is another major partner. ECE periodically undertakes a review of the implementation of the environmental and economic commitments of OSCE participating states, and makes recommendations for follow-up actions.

Economic and Social Commission for Asia and the Pacific

42. The increasing globalization of ESCAP region economies provides them with many benefits, but also exposes them to sudden and harsh risks from the constantly shifting international environment. ESCAP recently alerted its member States not to be lulled into a false sense of security by the current economic boom, as some of the risk factors that preceded the financial crisis 10 years ago have been reappearing.

43. The region's role as a global production centre also induces major environmental pressure. Despite the region's high poverty level, current consumption pressures, as measured by the ecological footprint, exceed the available productive natural resources endowment in some 18 countries. In follow-up to the adoption of the Green Growth Strategy for sustainable development at the Fifth Ministerial Conference on Environment and Development in Asia and the Pacific, held in Seoul in March 2005, and the reiteration of the importance of improving ecological efficiency in economic growth by the Commission's sixty-second session, held in Jakarta in April 2006, ESCAP has been facilitating regional policy dialogue on five key areas: green tax and budget reform; the development of sustainable infrastructure; the promotion of sustainable consumption through demand-side management; the greening of business and markets; and the development of eco-efficiency indicators. The policy dialogues have resulted in substantial sharing of experience and requests for technical assistance from several Governments. These include successful policy measures for urban environmental management, water-use efficiency and energy auditing and efficiency demonstration. The Economic and Social Survey of Asia and the Pacific 2007 also examines the challenges of "green" growth in the Asia and the Pacific region, where many countries are struggling to balance rapid growth and urbanization with environmental protection and the use of clean energy technologies. There is evidence that the region is facing severe environmental degradation in some areas and is en route to becoming a major greenhouse gas emitter. The Survey recommends a multi-track approach to ensure "greener" growth, including "green taxation", or higher taxes tagged to fossil fuel use; building more sustainable infrastructures; promoting sustainable, climate-friendly production and consumption patterns; providing incentives for "green" business practices; and improving the monitoring of environmental protection plans and initiatives.

44. Efforts to strengthen the infrastructure are increasingly being recognized as critical for sustaining the region's development. A recent ESCAP study estimates that the Asia and the Pacific region will require a staggering $608 billion per year to upgrade its infrastructure. ESCAP has taken its initiative on this issue a step further

by encouraging the development of appropriate instruments and modalities for enhancing regional cooperation in infrastructure development. In this regard, ESCAP conducted a high-level regional policy dialogue in New Delhi on 21 and 22 March 2007, in collaboration with the Research and Information System for Developing Countries, a think-tank institute based in India. The main objective of the policy dialogue was to brainstorm on various aspects of infrastructure development (in transport, energy, water and information and communications technology sectors) and financing and come up with a regional mechanism for filling the infrastructure financing gap. One of the major aims of such a mechanism was to attract private sector investment in infrastructure. The recommendations of the policy dialogue will be considered by the sixty-third session of the Commission, to be held in Almaty, Kazakhstan, from 17 to 23 May 2007.

45. Against the backdrop of looming uncertainty relating to the Doha multilateral trade negotiations held in mid-2006, the Asia and the Pacific region is witnessing a continuing proliferation of regional and bilateral trade agreements. This is a worrying trend, because it risks marginalizing the least developed countries and landlocked countries. There is therefore an urgent need to ensure the effective integration of these countries into the multilateral and regional trading systems. For that purpose, ESCAP has undertaken activities aimed at promoting the accession of ESCAP member States to the World Trade Organization while continuing to assist all its members in effective participation in the Doha negotiations. At the same time, efforts have been undertaken to map and analyse regional and bilateral trade agreements with the aim of consolidating them and make them World Trade Organization-consistent. Within the context of South-South cooperation in trade, efforts are under way to expand and strengthen the Asia-Pacific Trade Agreement, for which ESCAP provides the secretariat, to include countries that are not effectively integrated in the regional economy.

Economic Commission for Latin America and the Caribbean

46. The ECLAC region witnessed its best performance in economic and social terms over the past four years. As a result, several countries in the region have experienced reductions in poverty, declining unemployment and improved income distribution. Despite notable growth spurts, sustained growth has been elusive in the region for the bulk of the last quarter of a century. In a region mired in social and economic inequalities, and which has become the most unequal in terms of income distribution, there are multiple challenges to bridging the development gap. A significant part of the analytical work and activities of ECLAC, accordingly, has been directed towards policy development to support sustainable growth, equity and social cohesion.

47. The variations in the level of performance of the ECLAC economies has shown the importance of high and stable economic growth rates for the generation of productive employment. ECLAC supports the Governments of the Latin American and Caribbean countries in the design and implementation of economic policies conducive to the achievement of such growth, with counter-cyclical fiscal and monetary policies potentially playing a key role in this regard. Macroeconomic policy coordination among the countries of the region can greatly help reduce volatility. ECLAC therefore supports corresponding efforts at the regional and subregional levels through a project known as the Macroeconomic Dialogue Network, conducted with the assistance of the European Commission. To improve

the region's ability to take advantage of increasingly open, wider markets, ECLAC has been assisting countries in enhancing their competitiveness, taken into account the deep heterogeneity of the region's productive structure.

48. The central theme of the Commission's thirty-first session, held in Montevideo from 20 to 24 March 2006, was the "Future of social protection", for which ECLAC produced a comprehensive report entitled "Shaping the future of social protection: access, financing and solidarity". The report seeks to bring together social rights and policy criteria designed to ensure their own enforceability in terms of greater access, better financing and more solidarity. It proposed the creation of a new social covenant designed to build bridges between economic, social and cultural rights and to create synergies between social equity, participatory democracy and economic growth. In this regard, ECLAC has been strongly advocating the concept of social cohesion as a principle for guiding economic and social policy in an integrated manner. This concept has emerged as the result of research and was discussed at a high-level expert seminar held in Panama, entitled "Social cohesion in Latin America and the Caribbean: an urgent review of selected aspects". ECLAC has also released a publication entitled "Social cohesion: inclusion and a sense of belonging in Latin America and the Caribbean".

49. Latin America is a region of great ethnic and cultural diversity. Currently, its States recognize 671 groups of indigenous peoples, each with their own demographic and territorial characteristics. The fifth session of the United Nations Permanent Forum on Indigenous Issues recognized ECLAC as an important point of reference in the region for sociodemographic indicators on indigenous peoples. These indicators give new insight into the inequalities faced by indigenous peoples and the violation of their individual and collective human rights.

50. The impact of international migration on development was another subject of focus for ECLAC in 2006. On the basis of a document on the status of international migration, human rights and development presented to the ECLAC session, Governments adopted a resolution reaffirming the need to adopt measures to protect the human rights of migrants, facilitate the positive impact of remittances on the economies of small States and foster connections among migrant diasporas, including scientific and professional networks. ECLAC also made substantive contributions to discussions of the subject at the Ibero-American Summit, which culminated in the adoption of the Montevideo Commitment on migration and development by the Heads of State and Government of the Ibero-American community. Together with the other regional commissions, ECLAC actively participated in the preparatory process for the High-level Dialogue on International and Migration and Development, held by the General Assembly in September 2006.

51. To address the multiple dimensions of global change and its future consequences for energy planning, agriculture and natural disasters in countries of the region, ECLAC and the Austria-based International Institute for Applied Systems Analysis jointly organized a seminar at the end of 2006. The seminar concluded with agreements identifying areas for cooperation between the Institute and ECLAC.

Economic Commission for Africa

52. The period since the substantive session of the Economic and Social Council of 2006 witnessed the successful implementation of measures taken to reposition

ECA in order to make it more relevant and effective in meeting the current and emerging challenges facing its member States, particularly in achieving the Millennium Development Goals and the priorities of the New Partnership for Africa's Development. These measures were undertaken within the broader context of the reforms within the United Nations and in response to the 2005 World Summit Outcome. The reform measures encompass three broad dimensions:

(a) Programme and priority-setting, guided by two major themes, promoting regional integration in support of the African Union vision and priorities, and meeting Africa's special needs and the emerging global challenges. The proposed programme budget for the biennium 2008-2009 has been prepared to reflect the new programme orientation;

(b) Institutional and organizational restructuring to align the secretariat structure with the new programme priorities, including strengthening the ECA subregional presence through the redeployment of additional human and financial resources to the five subregional ECA offices;

(c) Measures to enhance human resources management and strengthen results-based management processes for improved overall organizational performance and accountability. A related challenge is the need to ensure that ECA outputs are of high quality by incorporating quality assurance processes in their delivery.

53. The repositioning also enabled ECA to reinforce its partnership with the African Union, the African Development Bank, the subregional organizations, other United Nations bodies and the Bretton Woods institutions in order to achieve better development results and impact. The collaboration with the African Union and African Development Bank was institutionalized in 2006 with the revitalization of the joint secretariat of the African Union Commission/ECA/African Development Bank and the signing of a series of memorandums of understanding to serve as a basis for cooperation on a wide range of development issues. Equally important are the actions taken by the ECA secretariat to deepen its relationship with its core group of bilateral partners and build new relationships with other potential donors to assure support for the Commission's future activities and programmes.

54. In 2006, ECA published the African Governance Report. In the process, it also enhanced its expertise in building institutions for good governance, which led to an increasing number of requests for advisory services from member States, including civil society organizations, most of them relating to the African Peer Review Mechanism. In December 2006 alone, ECA fulfilled four such requests. As a by-product of its governance studies and support for the Mechanism, ECA carried out subregional workshops for parliamentarians, policymakers and civil society organizations on the role of parliaments in the medium-term expenditure framework process. In early 2007, ECA produced, in partnership with the African Union Commission, the *Economic Report on Africa 2007* on the theme "Accelerating Africa's development through diversification". The Report calls for new growth policies that go beyond the traditional focus on the second generation of reform policies pressed on Africa by international financial institutions. It argues that, in spite of progress made in the previous generations of reforms, Africa has to embark on more systematic efforts to diversify its economies and to embrace diversification as a key pillar for sustaining and scaling up its development efforts.

55. During the past year, the renewed collaboration of the African Union, ECA and African Development Bank has manifested itself in a number of events, such as the fifth African Development Forum, held in Addis Ababa in November 2006. The Forum on the theme "Youth and leadership in the 21st century", resulted in the launch of the African Union Youth Charter, with participants pledging to support its operationalization and implementation at the national and regional levels. The consensus statement adopted by the Forum reaffirmed the commitments made by the African Union leaders in Banjul in July 2006 to develop and implement national youth policies. To date, seven collaborating partners have submitted their input for the development of the common action plan for youth and development in Africa.

56. ECA convened its fortieth session in April 2007 to examine the challenges of meeting the Millennium Development Goals in Africa and propose policy measures for accelerating progress towards achieving the Goals. The session reaffirmed the importance of the Goals as a framework for reducing poverty and advancing development in Africa and concluded that the challenge of meeting the Goals in Africa is not insurmountable if both national and international policy measures are scaled up in a number of critical areas, particularly with regard to mobilizing adequate financing for development. The session underscored the need for national development strategies and policies for achieving broad-based and equitable growth in meeting the Goals. Trade, aid and debt agenda should be built around the national development strategies based on the principles of ownership and self-belief. The session also emphasized the need for strengthening statistics and statistical capacities in the region for evidence-based planning and decision-making and for tracking progress towards the Goals. In this regard, the session called for special attention to be given to the needs of countries emerging from conflict and other fragile States.

57. In the context of the overall challenges for meeting the Millennium Development Goals, the session examined other emerging issues such as the Aid for Trade initiative and the critical issue of climate change. The high-level panel organized as part of the session drew attention to the important contribution that the Aid for Trade initiative could make to Africa's development. On climate change, the panel called for urgent measures to address the problem in view of its possible implications for meeting the Millennium Development Goals. This year's session also marked a remarkable coming together of the United Nations system at the regional level. The meeting brought together several United Nations agencies to actively contribute to the policy dialogue and reinforce coherence in support of regional and national strategies for the implementation of the internationally agreed development goals, including the Millennium Development Goals. The African Union Commission also contributed to organizing and servicing the session.

Economic and Social Commission for Western Asia

58. In order to meet the emerging challenges in the region, and consistent with the United Nations reform initiatives following the 2005 World Summit, ESCWA is repositioning itself to address four strategic priorities: (a) stimulating economic development and regional integration; (b) promoting integrated social policies; (c) managing water and energy resources; and (d) harnessing information and communications technology for development. In addition, three cross-cutting priority themes were identified: (a) developing statistical capacities; (b) effective participation and involvement of women; and (c) assistance to conflict-stricken

countries. In pursuing these priorities, ESCWA strives to forge partnerships with regional institutions, United Nations agencies, non-governmental organizations, and the private sector to improve the impact and effectiveness of the Commission's work.

59. ESCWA has been leading the development of an integrated transport system in the Arab Mashreq, comprising road, rail and maritime transport agreements. These agreements, which were completed in 2006, aim to upgrade and link road, rail and maritime routes, in order to facilitate the movement of persons, goods and investments across the region. The system includes a regional transport information system, a methodological framework for policy analysis and formulation and a framework for the establishment of national transport and trade facilitation committees in the member States. At the same time, ESCWA promotes regional economic integration by facilitating the application of the Greater Arab Free Trade Area agreement and the removal of trade barriers, and by preparing countries for World Trade Organization ministerial conferences through the formulation of a coherent Arab position.

60. A priority for the ESCWA region is to ensure that social policies are institutionalized within national development frameworks. The ESCWA integrated social policies project is based on the conviction that social policy goes beyond the delivery of conventional services and that concerns related to equality, justice and human rights must be factored into every public and development national policy. ESCWA convened national conferences in Bahrain and Egypt that brought together government officials, experts from the public and private sectors and key stakeholders in order to form a national consensus on social policies. The goal was to determine country-specific mechanisms required for carrying forward the process of developing a locally relevant social policy initiative. The success of these conferences prompted requests to organize similar ones in Jordan, Oman, Palestine and Saudi Arabia, and advisory services to support social policy formulation have already been provided to Oman and Kuwait.

61. The ESCWA region underwent another year of robust economic expansion, as a result of the growing demand for oil and high global oil prices. The robust economic growth in the region, however, did not lead to substantial increases in employment opportunities, considering the capital-intensive nature of oil production and exports. Due to the demographic characteristics of the region, employment growth failed to keep pace with labour force growth, resulting in increased levels of unemployment, especially among youth. Unemployment in the Arab region is the highest in the world and is estimated at 12.2 per cent for 2006, almost twice the world average. Youth unemployment remains a major critical challenge for policymakers in the region, as do the persistent difficulties faced both by new entrants and female workers to labour markets. Female unemployment rates are significantly higher than those of their male counterparts: for instance, unemployment rates for young women in Arab countries reached 34.5 per cent in 2005. The United Nations 2007 Millennium Development Goal report for the Arab region, which is currently being prepared jointly by ESCWA, other United Nations entities represented at the regional level and the League of Arab States, will analyse comprehensively the link between education and youth employment in the Arab region in order to propose a set of policy recommendations for improving the employment situation of young people.

62. In order to promote sustainable development and management of natural resources while taking into account the crucial role that oil plays in the economy and the limited water resources in the region, ESCWA supports regional integration and cooperation among member countries through an intensive approach to integrated sustainable management of water and energy and the production sectors. Capacity-building to improve integrated water resources management, a process that promotes the coordinated development and management of water, land and related resources without compromising the sustainability of vital ecosystems, has been undertaken through a series of country-specific analytical studies and advisory technical assistance missions. As mandated by the twenty-third session of the Commission, ESCWA has prepared a pre-feasibility study for the establishment of a centre for integrated water resources management. It is envisioned that the centre would enhance the capacity of member States in the management of shared water resources and in the negotiation of agreements pertaining to shared water resources. Due to increasing water scarcity in Mediterranean countries, competition over internationally shared aquifers is likely to increase. In response to this trend, ESCWA is helping develop tools for monitoring, assessing and managing shared groundwater resources in Euro-Mediterranean Partnership countries.

63. Since the July 2006 war in Lebanon, the ESCWA unit for conflict-related issues has been serving as a practical reference to future work for rehabilitation and reconstruction in the country. A series of brainstorming meetings and consultations resulted in a concept paper on Lebanon's rebuilding momentum entitled "Lebanon's rebuilding and revival: a policy paper with initiatives". The paper discussed the political, social and economic dimensions of the conflict and offered a series of policy recommendations and project proposals, which were subsequently presented to the Lebanese Government. ESCWA has also provided a regional platform to support national rebuilding efforts, share rebuilding experiences and success stories and match regional resources with local needs. Some proposed initiatives include setting up a monitoring system to ensure an effective and efficient reconstruction process and the establishment of a revolving microcredit fund for agricultural businesses in south Lebanon.

64. In its efforts to further institutionalize and enhance its assistance to conflict-stricken countries in the region, namely, Iraq, Lebanon and Palestine, ESCWA proposed a new subprogramme on conflict mitigation and development, which has been approved by the General Assembly as part of the Commission's strategic framework for 2008-2009. The new subprogramme aims at giving concrete expression to the interlinkages between peace and security, development and human rights, in accordance with the 2005 World Summit Outcome and relevant ESCWA resolutions. It will also raise awareness and understanding of the causes of conflict and instability to enable the countries to take appropriate measures to reduce their vulnerability, strengthen advocacy and capacity-building on issues of good governance and promote replication of best practices.

B. Operational activities for development

65. The regional commissions continued to provide their demand-driven technical assistance services to their member States. Those services are mainly related to the commissions' analytical/normative and transboundary areas of competence, thereby ensuring the needed linkage between normative and operational activities in these

areas. The commissions further enhanced their support to the United Nations development work at the country level by continuing to include regional perspectives and transboundary issues in national policymaking, and by providing advisory services and organizing capacity-building activities in their recognized areas of expertise, such as infrastructure development, energy networking, information and communications technology, management of natural resources and transport. Building on country-level work, regional commissions are disseminating good practices and sharing lessons learned in each region. The learning group on poverty reduction strategy papers organized by ECA is a case in point.

66. At the global level, the regional commissions are deeply involved in the work of the United Nations Development Group (UNDG) working group on non-resident agencies which, in response to General Assembly resolution 59/250 on the Triennial Comprehensive Policy Review, developed an implementation plan to ensure that the United Nations agencies with no or limited country presence could contribute their technical capacities and expertise to country development work. A pilot phase of the plan was launched in 2007 focusing on the One United Nations pilot countries and on a number of countries where the common country assessment (CCA)/United Nations Development Assistance Framework (UNDAF) process began during the year. The regional commissions also provided extensive substantive input to improve UNDG tools for ensuring coherence and effectiveness in the quality assurance of the common country assessment/UNDAF process at the regional level, including through strengthened peer reviews.

67. However, there is still room for increased cooperation between the regional commissions and United Nations funds, programmes and agencies. The empirical evidence produced by the commissions through their region-wide analytical work could provide further contributions and guidance to the operational work of the United Nations country teams. In this regard, the executive secretaries agreed, during their meeting in February 2007 in New York, on the need to update and revitalize the strategic compact signed between UNDP and the regional commissions in 2000 as a means of strengthening the partnership between the commissions and UNDP and ensuring an overall common approach among the commissions in that respect. Consequently, in their meeting with the UNDP Administrator, at which the Directors and Assistant Administrators of all UNDP regional bureaux were present, it was agreed to establish a new compact, taking into account the existing one. The new strategic compact is envisaged to be signed in 2007 and will serve as an umbrella agreement for cooperation between UNDP and the five regional commissions.

68. On the regular programme of technical cooperation, the regional commissions agreed on the need to improve the management, accountability, monitoring and performance reporting of the programme, guided by the report of the Secretary-General on this matter (A/59/397). This agreement was shared subsequently with the Department of Economic and Social Affairs and other United Nations entities involved in the programme. For that purpose, the commissions agreed that overall guidelines should be developed so as to ensure coherence in the planning, performance reporting and use of programme funds. They are pursuing this effort accordingly with the Department of Economic and Social Affairs.

69. The regional commissions are also pursuing collaboration and exchanging their expertise in technical cooperation through the Development Account projects.

To further enhance the management of the Development Account, the regional commissions provided the Development Account programme manager with elaborate proposals to develop guidelines on the use of funding, reporting and evaluation. The commissions also requested the programme manager to conduct an evaluation of the experience so far with the Development Account projects so as to distil lessons learned for various elements, including those related to interregional projects. In the meantime, and as a means to further enhance coordination and complementarities among the commissions, the clearing house role of the Regional Commissions New York Office to the Development Account initial project proposals submitted by the commissions was reaffirmed and enhanced.

C. United Nations Special Programme for the Economies of Central Asia

70. In 2006 and 2007, ECE and ESCAP focused on the joint implementation of the United Nations Special Programme for the Economies of Central Asia reform, following the 2004 initiative of the Secretary-General on strengthening the Programme and the approval of the reform by the national coordinators in May 2005. The 2006 Economic Forum of the Programme and the first meeting of the Governing Council were held in June 2006 in Baku, and the coordinating committee met in December of that year in Dushanbe. The first meeting of the 2007 Economic Forum of the Programme was held as part of the Asia-Pacific Business Forum of ESCAP during its annual session in May 2007 in Almaty. During that session, the Executive Secretaries of ECE and ESCAP also took part in an informal meeting of the representatives of Programme member countries. The success of these meetings was clear proof of the close and highly effective cooperation of the two regional commissions in the complicated tasks of establishing and supporting the new governing structure of the Programme. The two commissions also continue to jointly support the Programme's six project working groups (on water and energy resources; transport and border crossing; trade, statistics; information and communications technology for development; and gender and economy).

III. Report of the executive secretaries

71. The meetings of the executive secretaries of the regional commissions[1] held since the substantive session of the Economic and Social Council of 2006 focused mainly on: (a) focusing the work of the regional commissions on the follow-up to the internationally agreed development goals and Millennium Development Goals, pursuant to the 2005 World Summit Outcome; (b) improving coordination and coherence at the regional level and enhancing the relevance of the commissions' work in support of country development; (c) the follow-up to General Assembly resolution 61/16 on Economic and Social Council reform at the regional level; (d) strengthening cooperation among the commissions; (e) the regional dimension of migration issues; (f) coordinating regional inputs for the fifteenth session of the Commission on Sustainable Development; (g) coordinating regional inputs for the General Assembly High-level review of the implementation of the Monterrey

[1] The meetings were held in Geneva, from 3 to 7 July 2006; in New York, from 17 to 19 October 2006; and in New York from 12 to 15 February 2007.

Consensus; and (h) coordination of regional follow-up to the World Summit on the Information Society.

72. The executive secretaries exchanged information and views on the initiatives being taken by their respective commissions, in particular with regard to improving collaboration with relevant United Nations system entities and other regional organizations on the regional analysis of the progress in achieving the Millennium Development Goals. The exchanges of experience and perspectives have improved the process of jointly publishing regional reviews of the Millennium Development Goals, which has now become a common practice in all regions (see section I).

73. The executive secretaries undertook regular reviews of, and exchanged notes regarding, the initiatives being taken by them and their respective commissions to improve cooperation and coherence at the regional level, while also strengthening cooperation with relevant global-level entities and improving the relevance of the commissions' work. In that connection, in addition to stressing the convening authority of the commissions and their role as regional forums, the executive secretaries agreed to pursue and strengthen the following core functions:

(a) Analysing regional and subregional development challenges and providing regional perspectives to global issues;

(b) Monitoring the implementation of the internationally agreed development goals, including the Millennium Development Goals, in their respective regions;

(c) Offering an intergovernmental platform for the adoption of regional/subregional agreements and policies on major issues of a transboundary nature;

(d) Organizing regional peer reviews and policy dialogues to exchange national experiences and best practices among policymakers and experts on major development issues of common concern to countries of the same region or subregion;

(e) Forging strategic alliances and partnerships for advancing the United Nations development agenda at the regional level, including on environmental and gender issues.

74. The regional commissions, both at the intergovernmental and secretarial levels, welcomed General Assembly resolution 61/16 on Economic and Social Council reform. Pursuant to that resolution, the executive secretaries established effective partnership with the Department of Economic and Social Affairs to collaborate on the voluntary regional annual ministerial reviews, and with the Department and UNDP in support of voluntary country reviews of the annual ministerial reviews. The experience gained in this regard during 2007 will provide a useful basis for improving collaboration on future reviews. The regional commissions also coordinated among themselves in providing regional perspective to the Development Cooperation Forum process through the Forum's Advisory Group, in which one of the executive secretaries represents the commissions. The executive secretaries are of the view that in the future, high-level relevant regional intergovernmental meetings, including the ministerial sessions of the commissions, should be more effectively used to facilitate voluntary regional consultations on annual ministerial reviews and to ascertain regional perspectives on development cooperation issues.

75. The executive secretaries reviewed the cooperation among commissions. In this regard, they supported the deeper involvement of the relevant thematic groups, encouraging those groups to exchange information and to benefit from each other's experience, in particular with regard to the follow-up to the global United Nations conferences, including the International Conference on Financing for Development, the World Summit on Sustainable Development (including preparations for the fifteenth session of the Commission on Sustainable Development) and the World Summit on the Information Society. As a result, the commissions were able to organize several joint interregional events, mainly on the sidelines of relevant global events. Examples include the regional session of the Commission on Sustainable Development, held in April 2007, in which other regional institutional stakeholders such as development banks were also involved; the discussion of the regional dimensions of migration issues at the High-level dialogue of the General Assembly in September 2006; the regional implementation of the Programme of Action for the Least Developed Countries for the Decade 2001-2010, and the World Summit on the Information Society cluster event on the regional dimensions of information and communications technology, sustainable development and globalization, held in May 2007 in Geneva. Interregional seminars were also organized involving the commissions' participation, in Geneva in April 2007 and Santiago in June 2007, on issues relating to strengthening regional coherence, social cohesion, trade and financial integration, biofuel technologies and the role of regional partnerships in supporting peace, stability and development. Appropriate coordinated arrangements were also established for jointly preparing the relevant documentation on the regional dimensions of the implementation of the Monterrey Consensus in order to facilitate the high-level biennial review of the Consensus by the General Assembly at its sixty-second session. In addition, the executive secretaries agreed to exchange views and cooperate on identifying regional perspectives on the economic and social implications of global warming, which is fast becoming a global issue of high priority with important implications for sustainable development.